

Message Text

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ACTION IO-06

INFO OCT-01 SS-14 ISO-00 AGRE-00 EB-04 EUR-08 AID-01
TRSE-00 OMB-01 NSC-05 NSCE-00 SP-02 INR-05 CIAE-00
OES-02 H-01 OIC-01 L-01 NEA-07 ARA-10 EA-06 AF-04
PRS-01 IOE-00 /080 W
-----024391 121941Z /46

P 121540Z JUL 77
FM AMEMBASSY ROME
TO SECSTATE WASHDC 5820
INFO USMISSION GENEVA
USMISSION USUN NEW YORK

C O N F I D E N T I A L SECTION 1 OF 2 ROME 11355

LIMDIS

DEPT PASS HATHAWAY, USDA: VAN DYKE, AID: MAYNES AND ELLER,IO

GENEVA FOR AMBS YOUNG AND WELLS

E.O. 11652: GDS
TAGS: OVIP, FAO, OTRA
SUBJECT: VISIT OF AMBASSADOR YOUNG

1. AMBASSADOR ANDREW YOUNG, ACCOMPANIED BY AMBASSADORS GARNDER
AND WELLS AND DEPUTY ASSISTANT SECRETARY FRANK, VISITED OFFICIALS
OF FAO, THE IFAD PREPCOM SECRETARIAT, THE WORLD FOOD PROGRAM,
AND THE WORLD FOOD COUNCIL MORNING AND EARLY AFTERNOON OF JULY
12. THIS CABLE REPORTS ON FAO VISITS.

2. DAY BEGAN WITH A 9:00 A.M. MEETING WITH SAOUMA, DIRECTOR-
GENERAL OF FAO, WHICH PROVIDED BRIEF OVERVIEW OF FAO ACTIVITIES
AND PROBLEMS. LATER IN MORNING, PARTY GOT INTO EXTENSIVE DISCU-
SSION WITH SAOUMA AT 1-1/2 HOUR MEETING DEVOTED ALMOST SOLELY
TO THE ISSUES OF THE TECHNICAL COOPERATION PROGRAM (TCP) AND
POST-HARVEST LOSS FUND PROPOSAL OF FAO. DISCUSSION WAS VERY FRANK
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AND AT TIMES TENSE. SAOUMA BEGAN BY POINTING OUT PROBLEMS THAT HE
HAS HAD WITH THE CARTER ADMINISTRATION COMPARED TO THE FORD
ADMINISTRATION AND EXPRESSED PUZZLEMENT AS TO WHY THIS SHOULD BE SO
GIVEN THE NEW ADMINISTRATION'S POSITIVE ATTITUDE TOWARD THE DEVE-
LOPING COUNTRIES. HE SAID THAT THE U.S. SUPPORTED TCP IN JULY
1976, EXPRESSING NO RESERVATIONS TO CONSENSUS RESOLUTION ES-
TABLISHING TCP AS A CONTINUING ASPECT OF FAO REGULAR BUDGET

ACTIVITIES. THEN THE NEW ADMINISTRATION TRIED TO END THE PROGRAM LESS THAN ONE YEAR LATER, FORGETTING ITS AGREEMENT TO CONSENSUS. HE SAID THAT THIS BEHAVIOR WAS GIVING UNITED STATES A VERY BAD IMAGE.

3. AMBASSADOR YOUNG SUGGESTED THAT IT WAS BEST TO PLACE U.S. ATTITUDES IN BROADER POLITICAL CONTEXT. HE SAID THAT PRESIDENT CARTER RAN FOR PRESIDENT ON PLATFORM THAT GOVERNMENT SHOULD BE MADE STREAMLINED AND EFFICIENT; PROLIFERATION OF AGENCIES AND DUPLICATION OF FUNCTIONS WAS AN ANTHEMA. THE TCP PROGRAM WAS YET ANOTHER OF THE MYRIAD UN TECHNICAL ASSISTANCE EFFORTS AND IT WAS DIFFICULT TO EXPLAIN TO OUR CONGRESS AND THE AMERICAN PUBLIC WHY THIS WAS NEEDED. THUS A GOOD EVALUATION USING THE RIGHT KIND OF PEOPLE, INDEPENDENT OF FAO, WAS ESSENTIAL IF WE WERE GOING TO BE ABLE TO SUPPORT THE TCP PROGRAM.

4. SAOUMA DEFENDED THE PROGRAM AS A REACTION TO WHAT HE BELIEVED WAS A SWOLLEN BUREAUCRACY IN ROME, ENDLESS AND USELESS MEETINGS, AND TONS OF PAPER DEVOTED TO DOCUMENTS THAT WERE RARELY READ AND SERVED LITTLE PURPOSE. HE WANTED TO ORIENT FAO ACTIVITIES MORE TOWARD ACTION PROGRAMS IN THE FIELD THAT BROUGHT REAL BENEFITS TO DEVELOPING COUNTRIES. FAO HAD BECOME AN ACADEMIC FORUM ON FOOD ISSUES OF LITTLE RELEVANCE TO SOLVING THE REAL PROBLEMS OF FOOD PRODUCTION AND MEETING FOOD NEEDS.

5. AMBASSADOR YOUNG INDICATED THAT HE COULD UNDERSTAND SAOUMA'S CONFIDENTIAL

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OBJECTIVES AND PROBLEMS, BUT SUGGESTED THAT HE HAD TO MAKE THE DIRECTOR-GENERAL AWARE OF OUR DIFFICULTIES WITH THE PROGRAM AND THE NEED TO WORK TOGETHER TO REACH A CONSENSUS IN THE UN SYSTEM. IF WE SOLVED PROBLEMS IN THE UN AND ITS SPECIALIZED AGENCIES BY VOTES AND VETOES, THE SYSTEM WOULD NOT WORK. ONLY BY CONSENSUS TECHNIQUES COULD WE REACH SOLUTIONS TO PROBLEMS IN THE UN. AMBASSADOR GARDNER ALSO STRESSED THE NEED FOR CONSENSUS IF THE 20 PER CENT OF THE COUNTRIES THAT CONTRIBUTED 80 PER CENT OF THE RESOURCES WERE TO CONTINUE TO CONTRIBUTE TO THE SYSTEM.

6. SAOUMA, WHOSE INTERVENTIONS WERE TINGED WITH EMOTION FROM THE BEGINNING, BEGAN TO HEAT UP EVEN MORE. HE SAID THAT HE COULD NOT ACCEPT BLACKMAIL BY THE UNITED STATES WHO WAS TRYING TO THWART THE WILL OF THE MAJORITY ON THE TCP. HE VOICED STRONG PERSONAL OBJECTIONS TO THE DEMARCHES MADE TO HIM REGARDING THE TCP BEFORE THE JUNE FAO COUNCIL MEETING. HE SAID THAT MANY OTHER COUNTRIES GAVE FAR MORE IN RELATIVE TERMS TO THE FAO, RECEIVED FAR FEWER BENEFITS, AND WERE MORE COOPERATIVE THAN THE U.S. WHICH WASN'T EVEN PAYING ITS FAIR SHARE OF ASSESSED BUDGET EXPENDITURES.

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7. AT THIS POINT EDWARD WEST INTERVENED TO COME BACK TO THE ISSUE OF EVALUATION OF THE TCP WHICH HAD BEEN BROACHED EARLIER AT A NUMBER OF POINTS. HE WONDERED WHAT OUR REACTON WOULD BE TO A TRIPARTITE EVALUATION TEAM COMPOSED OF DONOR (I.E. FAO) REPRESENTATIVES, RECIPIENT GOVERNMENT REPRESENTATIVES, AND INEPENDENT REPRESENTATIVES. HE SAID THAT FAO COULD UNDERSTAND AN EVALUATION THAT LOOKS AT PERFORMANCE IN LIGHT OF STATED GOALS BUT WOLD BE RELUCTANT TO EVALUATE WHETHER TCP PROGRAMS COULD HAVE BEEN BETTER PERFORMED BY UNDP. FRANK REPLIED THAT THE TRIPARTITE EVALUATION CONCEPT SEEMED QUITE REASONABLE. AS LONG AS THE EVALUATION WERE BASED ON THE GOALS STAED IN DETAIL IN THE 1976 CONSENSUS RESOLUTIONS ON THE TCP, WE WOULD HAVE NO PROBLEM SINCE THE EMPHASIS THERE WAS ON MEETING EMERGENCY NEEDS, FILLING GAPS, AND SMALL-SCALE PROJECTS. WE COULD AVOID THE THEOLOGICAL ISSUES AS TO WHETHER UNDP COULD HAVE BEEN DONE BETTER BY STICKING TO THEESE GOALS SINCE WE ASSUME THAT THESE SPECIAL FUNCTIONS ARE SUITABLE FOR AN FAO PROGRAM. WEST INDICATED THAT THIS ATTITUDE WAS HELPFUL AND SAOUMA SUGGESTED THAT WE COULD WORK SOMETHING OUT TOGETHER ON AN INFORMAL BASIS.

8. FRANK THEN RAISED THE ISSUE OF THE POST-HARVEST LOSS FUND AND THE NEED TO PROVIDE A RESOLUTION. HE SAID THAT WE WERE
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CONCERNED WITH THE PROBLEM OF POST-HARVEST FOOD LOSSES AND

WANTED

TO FIND A WAY TO INDICATE THAT CONCERN BY A COMMITMENT OF RESOURCES TO THE KINDS OF SMALL-SCALE PROGRAMS IN THIS FIELD THAT FAO IS PROPOSING. WE DO NOT SUPPORT, HOWEVER, THE IDEA OF USING SUSPENSE ACCOUNT MONIES TO SUPPORT A POST-HARVEST LOSS FUND. FRANK ALSO OBSERVED THAT IT MADE NO SENSE FOR SECRETARY BERGLAND TO ATTEND THE FAO CONFERENCE THIS NOVEMBER UNLESS IT WERE CLEAR THAT OUTSTANDING ISSUES LIKE POST-HARVEST LOSSES AND THE TCP EVALUATION WERE RESOLVED BEFOREHAND. WE SHOULD NOT BE GOING INTO THE NOVEMBER CONFERENCE WITHOUT A PRETTY GOOD IDEA ABOUT THE OUTCOME AND THE ATMOSPHERE.

9. AMBASSADOR YOUNG SAID THAT HE THOUGHT BOB BERGLAND WOULD BE SYMPATHETIC TO THE KINDS OF PROBLEMS THAT SAOUMA WAS TRYING TO ATTACK AND THAT IT WOULD BE GOOD FOR SAOUMA TO GET TOGETHER WITH SECRETARY BERGLAND, GOVERNOR GILLIGAN, AND KEY CONGRESSIONAL PEOPLE, ESPECIALLY ON THE SENATE SIDE. HE THOUGHT THAT THIS WOULD BEST BE DONE IN ADVANCE OF THE NOVEMBER CONFERENCE. SAOUMA INDICATED THAT HE MIGHT BE ABLE TO SPEND A COUPLE OF DAYS IN WASHINGTON AROUND OCTOBER 13. HE WOULD BE IN NEW YORK THE LAST WEEK OF OCTOBER, BUT THOUGHT THAT THE LAST WEEK WOULD BE TOO LATE TO MAKE A SIDE TRIP TO WASHINGTON. AMBASSADOR YOUNG INDICATED THAT WE WOULD GET BACK TO SAOUMA BEFORE THE END OF THIS MONTH.

10. COMMENT: TCP EVALUATION ISSUE REQUIRES SOME TACTFUL PERSUASION WITH SAOUMA AND WEST. POST-HARVEST LOSS FUND ISSUE HOWEVER, REQUIRES CONSIDERABLE PLANNING AND EFFORT OVER THE COMING MONTHS. STATE 159699 WAS VERY DISAPPOINTING ON THIS MATTER. IN VIEW OF OUR SUPPORT FOR POST-HARVEST LOSS EFFORTS IN THE PAST AND THE OVERWHELMING SUPPORT FOR RAO ACTIVITIES IN THIS FIELD AT THE LAST FAO COUNCIL MEETING, WE WILL LOOK PRETTY BAD AT THE FAO NOVEMBER CONFERENCE IF WE DO NOT HAVE SOMETHING TO OFFER. CONFIDENTIAL

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THE ARGUMENT MADE THAT OTHER AGENCIES CAN DO THE SAME THING IS RATHER ACADEMIC AND IGNORES THE FACT FAO IS WILLING TO GIVE THIS PROBLEM PROMINENCE IN ITS ACTIVITIES AND HAS DEVELOPED A GOOD PLAN OF ACTION TO SOLVE REAL PROBLEMS IN THIS FIELD. THE EMPHASIS IS SUPPOSED TO BE ON SMALL-SCALE AND GAP-FILLING EXERCISES ALONG THE LINES OF TCP. EXAMPLE OFFERED WAS PROVISION OF BETTER RICE-MILLING MACHINES IN SMALL VILLAGES TO HELP REDUCE MILLING LOSSES. THIS IS NOT THE SORT OF THING THAT THE LARGE INTERNATIONAL FINANCIAL INSTITUTIONS ARE LIKELY TO SUPPORT.

11. FAILURE TO OFFER A VOLUNTARY CONTRIBUTION TO POST-HARVEST LOSS FUND ALSO PLACES US IN A POOR POSITION TO RESIST THE SAOUMA PROPOSAL TO USE \$10 MILLION OF THE \$15 MILLION IN SUSPENSE ACCOUNT MONIES (PROFITS FROM LIRA DEVALUATIONS) FOR THE POST-HARVEST LOSS FUND. WE COULD OFFER A VOLUNTARY CONTRIBUTION OF \$3.5 OR \$4.0 MILLION AND THE NET COST TO US IS LIKELY TO

BE ONLY \$1.0 OR \$1.5 MILLION (SUBTRACTING THE \$2.5 MILLION
WE SHOULD GET FROM PAYMENT IN \$10 MILLION OF SUSPENSE ACCOUNT
MONIES BACK TO DONORS). WE OUGHT TO BEGIN MAKING SOME DECISIONS
NOW ON THIS ISSUE IN ORDER THAT WE HAVE PLENTY OF TIME TO LINE
UP OTHER COUNTRIES BEHIND PAYBACK OF SUSPENSE ACCOUNT MONIES.
STATE-AID OUGHT TO BE CRANKING THIS INTO PLANNING FOR ANY FY 78
SUPPLEMENTALS ON IO & P ACCOUNT OR FOR FY 79 BUDGET REQUESTS.
END COMMENT.GARDNER

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Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 12-Jul-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
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Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
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From: ROME
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Review Release Date: n/a
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Review Withdrawn Fields: n/a
SAS ID: 1888438
Secure: OPEN
Status: NATIVE
Subject: VISIT OF AMBASSADOR YOUNG
TAGS: OVIP, OTRA, US, IT, FAO, (YOUNG, ANDREW J)
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/5703e76c-c288-dd11-92da-001cc4696bcc
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